



## RUTH JOHNSON

OAKLAND COUNTY CLERK/REGISTER OF DEEDS

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Dec. 9, 2009

The Honorable Randy Richardville  
Chairperson  
Senate Banking and Financial Institutions Committee  
265 Farnum  
Lansing, MI 48909-7536

Dear Chairperson Richardville,

I would like to thank every member of the committee today for taking the time to consider Senate Bill 350, which will help families in foreclosure save their homes.

What SB 350 would do is restore the ability of Oakland and Macomb counties – and only those counties – to assist families in foreclosure by calculating the amount they need to pay to save (redeem) their homes after the sheriff's sale.

This is a service that our office provided for decades until the law was changed in 2005. Under that change in law, the responsibility for calculating "pay-off" or redemption amounts was taken from county registers and given to the investor or financial agent responsible for the home after the sheriff's sale. Unfortunately, those agents are sometimes very overwhelmed or have a financial stake in preventing the home from being redeemed by the original homeowner.

Homeowners able to scrape enough money together to save their homes are telling us those investors or their financial agents won't return their phone calls or are refusing to provide the redemption amount. Others say they are simply given a lump sum to pay with no information about what that total includes. They have little choice but to pay it if they want to save their homes. Worse yet, some investors and financial agents are charging as much as \$200-\$350 to calculate that amount for homeowners – and this to families already in financial crisis.

We believe that a neutral third party, the Register of Deeds offices in Macomb and Oakland could assist these families and ensure that every family has the opportunity to save their home. This legislation cannot wait. Foreclosures are at record numbers. Oakland County alone is expecting as many as 8,500 foreclosures this year. Macomb County is expecting nearly 6,000 foreclosures. In some Michigan neighborhoods, as many as one out of every 5.2 households is in foreclosure.

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The Michigan Bankers Association has indicated support for this legislation with amendments. We understand that legislation has also been sponsored by Senator Cameron Brown. My concern is this Oakland and Macomb counties still need SB 350 to from those provisions and move these bills out together, allowing each local official to solve this problem as they believe best for their community.

This bill gives homeowners a starting point – the information they need to begin the process of saving their homes. With the amendments we are requesting today, the law will clearly state that a properly calculated redemption amount, based upon affidavits filed with the Register of Deeds Office in Oakland and Macomb counties, will have legal standing.

Oakland and Macomb counties provided this service for decades without challenge. It is common sense and good public policy. This bill would not affect our fellow registers in any way nor mandate they provide this service.

Please help us assist the families who can to save their homes by approving SB 350. If I can provide any additional information, please contact Oakland Deputy Clerk Chris Ward at (248) 858-0560.

Sincerely,

A handwritten signature in cursive script that reads "Ruth Johnson". The signature is written in dark ink and is positioned above the typed name and title.

Ruth Johnson  
Oakland County Clerk / Register of Deeds